



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

April 22, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**ADOPTION OF A RESOLUTION RATIFYING SUBMISSION
OF APPLICATION FOR GRANT FUNDS FROM THE CALIFORNIA STATE
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE
CIVIC PARK IN THE GRAND AVENUE PROJECT
(FIRST DISTRICT) (3-VOTES)**

SUBJECT

The State Department of Housing and Community Development has developed the Infill Infrastructure Grant Program to provide grants for infrastructure improvements necessary to facilitate new infill housing development. The Grand Avenue LA, LLC has requested the County be a joint applicant in applying for a maximum grant amount of \$30.0 million for the Civic Park in the Grand Avenue Project. Grant applications were required to be submitted by April 4, 2008, with an authorizing Resolution ratifying the submission to be adopted within 30 days of the grant submission date.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the resolution ratifying the submission of an application to the California State Department of Housing and Community Development, for partial funding of the Civic Park Project under the Housing and Emergency Shelter Trust Fund Act of 2006 – Proposition 1C.
2. Authorize the Chief Executive Officer to execute a standard grant agreement if selected for grant funds, any amendments thereto, and any related documents necessary to participate in the Infill Infrastructure Grant Program.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Adoption of the attached resolution by your Board will fulfill the authorization requirement of the joint application with Grand Avenue LA, LLC, the Grand Avenue Project Developer, to the California State Department of Housing and Community Development – Infill Infrastructure Grant Program – Proposition 1C for the Civic Park Project. The grant application was required to be filed by April 4, 2008, and was timely filed.

Pursuant to the Board approved Disposition and Development Agreement for the Grand Avenue Project, the Developer is required to work with the County and other public agencies involved in the Grand Avenue Project to obtain additional funding for the Civic Park component. This grant application is consistent with this requirement.

The Infill Infrastructure Grant Program was established by Senate Bill 86 in 2007, with funding from Proposition 1C, the Housing and Emergency Shelter Trust Fund Act of 2006. The program provides grants for infrastructure improvements necessary to facilitate new infill housing development. Specific eligible improvements include development or rehabilitation of parks or open space; water, sewer or other utility service improvements; streets, roads, parking structures, transit linkages, transit shelters; traffic mitigation features; or sidewalks and streetscape improvements. In February 2008, the final Infill Infrastructure Grant Program guidelines were released by the Department of Housing and Community Development. Approximately \$240.0 million is available for award by June 2008, through a competitive application process.

The Civic Park Project meets the threshold application requirements of:

- Located in a jurisdiction with a housing element deemed in compliance by Housing and Community Development;
- Inclusion of not less than 15% affordable units;
- Development at density levels described in the housing government law (Government Code Section 65583.2); and
- Located in an urbanized area, and one designated for residential or mixed-use development by the local general plan or similar document.

Grand Avenue LA, LLC has determined, as defined under the grant guidelines, that Phases I and II allow the Civic Park Project to be defined as a Qualifying Infill Project and has elected to be rated as a Qualifying Infill Area, thereby allowing the grant amount to be requested to be the maximum amount of \$30.0 million. Phase I development qualifies for a \$20.0 million grant and Phase II development allows for a request of another \$10.0 million.

The State guidelines on grant terms and limits state among other items that repayment of the disbursed grant funds is required, on a proportional basis, where construction of residential units used as the basis for calculating the grant amount has not received building permits within five years from the date of the grant award, currently scheduled for June 2008. The Housing and Community Development Department may provide one extension of this deadline for a term not to exceed an additional five years.

The current Grand Avenue Project schedule anticipates the building permits for both Phase I and Phase II will be issued within the initial five-year period, and that the building permits for Phase I will be issued this calendar year. There is some grant fund repayment risk if more than \$20.0 million is awarded and the permits for Grand Avenue Project Phase II are delayed beyond five years from grant award. State staff has suggested that if the \$10.0 million additional grant funds that are supported by Phase II are granted, the County should deposit those funds into an account held by the County until such time as the risk of grant repayment of those additional grant funds is eliminated. Should the Grand Avenue Project Phase II issuance of a construction permit be delayed, the first option would be to request an extension of the deadline for a term not to exceed an additional five years, or to identify a park element estimated to cost the \$10.0 million of additional grant amount approved to be delayed until such time as the risk of the grant repayment is eliminated.

Depositing the grant amount associated with the Phase II project will not impact the completion of the Civic Park Project, which is required to be completed by the completion of Phase I, anticipated for fall of 2011.

FISCAL IMPACT/FINANCING

The Civic Park Project is currently estimated at \$56.0 million. If the grant is approved and accepted, the Civic Park Project budget and scope of work will be re-evaluated to accommodate the increased project funding sources and budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Infill Infrastructure Grant Program of 2007 was established under Division 31, Part 12 of the Health and Safety Code commencing with Section 53545.12.

The grant application deadline, as stated in the guidelines, was April 4, 2008. Pursuant to the Grant Application Part A – Item 7, Public agency applicants may submit, after the application deadline, a resolution ratifying the submittal of the application. The resolution must be submitted not to exceed one month from the application due date. The attached resolution has been prepared to establish the Board's intent to apply for State grant funds.

Honorable Board of Supervisors
April 22, 2008
Page 4

The County will be notified in June 2008, whether or not the grant funds have been awarded. Upon award, the resolution authorizes the Chief Executive Officer to execute a grant contract with the State.

The County's Grant Management Form is attached (Attachment B).

County Counsel has approved the attached resolution as to form.

ENVIRONMENTAL DOCUMENTATION

On February 13, 2007, acting as a responsible agency, your Board certified the Grand Avenue Project Environmental Impact Report as prepared and certified by the Grand Avenue Authority as lead agency for the Grand Avenue Project. The recommended action is within the scope of the project in the previously certified Environmental Impact Report.

CONCLUSION

Upon approval of the recommendations, please forward an adopted stamped copy of the Board letter to my office.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DL:JSE
DJT:DKM:zu

Attachments (2)

c: County Counsel
City of Los Angeles
City of Los Angeles Community Redevelopment Agency
The Los Angeles Grand Avenue Authority
Grand Avenue LA, LLC

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF LOS ANGELES**

**HEREBY DOES RATIFY AND AUTHORIZE THE SUBMITTAL OF AN APPLICATION
TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT FOR FUNDING UNDER THE INFILL INFRASTRUCTURE GRANT
PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT IF SELECTED FOR
SUCH FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED
DOCUMENTS NECESSARY TO PARTICIPATE IN THE INFILL INFRASTRUCTURE
GRANT PROGRAM**

WHEREAS, the County of Los Angeles, a public agency, wishes to apply for and receive an allocation of funds through the Infill Infrastructure Grant Program; and

WHEREAS, the California Department of Housing and Community Development (hereinafter referred to as "HCD") has issued a Notice of Funding Availability ("NOFA") for the Infill Infrastructure Grant Program established under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C) pursuant to the Infill Infrastructure Grant Program established by Part 12 of Division 31 of the Health and Safety Code, commencing with Section 53545.12. Pursuant to the statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature, subject to the terms and conditions of the statute and the Infill Infrastructure Grant Program Guidelines implemented February 28, 2008; and

WHEREAS, the County of Los Angeles wishes to ratify the submission of a joint application with the Grand Avenue LA, LLC to obtain from HCD an allocation of the Infill Infrastructure Grant Program funds in the amount of \$30,000,000.

IT IS NOW, THEREFORE, RESOLVED THAT:

1. The County of Los Angeles ratifies and authorizes the submission to HCD of an application to participate in the Infill Infrastructure Grant Program in response to the NOFA issued on February 28, 2008 which requested a funding allocation in the amount of \$30,000,000 for the following activities:

The scope of the Civic Park (the Capital Improvement Project) needed to support the Qualifying Infill Project includes the following items: demolition of existing vehicular ramps and hardscape; vehicular ramp renovation at Grand Avenue; vehicular ramp relocation at Spring Street; a historic fountain renovation; utilities including power infrastructure, security infrastructure, drainage and filtration system, sewer and water; hardscape, including accessible ramps at Broadway Street; landscape renovation and irrigation system improvements; streetscape improvements; and structures including public restroom buildings, community facility, and café structure.

Known as the Civic Park Project located in the City of Los Angeles and within the jurisdiction of the Community Redevelopment Agency of the City of Los Angeles, and owned by the County of Los Angeles.


2. If the application for funding is approved, the County of Los Angeles hereby agrees to use the Infill Infrastructure Grant Program funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with program Guidelines cited above. It also may execute any and all other instruments necessary or required by HCD for participation in the Infill Infrastructure Grant Program.
3. The County of Los Angeles authorizes the Chief Executive Officer to execute in the name of the County of Los Angeles the application, the Standard Agreement, and all other documents required by HCD for participation in the Infill Infrastructure Grant Program and any amendments thereto.

The foregoing resolution was on the 22ND day of APRIL, 2008, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.



SACHI A. HAMAI, Executive Office,
Clerk of the Board of Supervisors
of the County of Los Angeles


By


Deputy

APPROVE AS TO FORM:

RAYMOND G. FORTNER, JR.
OFFICE OF THE COUNTY COUNSEL

By


Helen Parker, Principal Deputy

ATTACHMENT B

**ADOPTION OF A RESOLUTION RATIFYING SUBMISSION
OF APPLICATION FOR GRANT FUNDS FROM THE
CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT
FOR THE CIVIC PARK IN THE GRAND AVENUE PROJECT**

**Los Angeles County Chief Administrative Office
Grant Management Statement for Grants \$100,000 or More**

| | | |
|--|--|-------------------------------------|
| Department: CHIEF EXECUTIVE OFFICE | | |
| Grant Project Title and Description | | |
| Civic Park Project in the Grand Avenue Project includes the demolition of existing vehicular ramps and hardscape; vehicular ramp renovation at Grand Avenue; vehicular ramp relocation at Spring Street; an historic fountain renovation; utilities including power infrastructure, security infrastructure, drainage and filtration system, sewer and water; hardscape, including accessible ramps at Broadway Street; landscape renovation and irrigation system improvements; streetscape improvements; and structures including public restroom buildings, community facility, and café structure. | | |
| Funding Agency | Program (Fed. Grant #/State Bill or Code #) | Grant Acceptance Deadline |
| State Housing and Community Development | Infill Infrastructure Grant Program | April 4, 2008 |
| Total Amount of Grant Funding: \$30.0 million | | County Match: none |
| Grant Period: June 2008 until project completion | Begin Date: June 2008 | End Date: project completion |
| Number of Personnel Hired Under This Grant: | Full Time: 0 | Part Time: 0 |
| <u>Obligations Imposed on the County When the Grant Expires</u> | | |
| Will all personnel hired for this program be informed this is a grant-funded program? N/A | Yes___ | No___ |
| Will all personnel hired for this program be placed on temporary ("N") items? N/A | Yes___ | No___ |
| Is the County obligated to continue this program after the grant expires? | Yes X | No___ |
| If the County is not obligated to continue this program after the grant expires, the Department will: | | |
| a.) Absorb the program cost without reducing other services N/A | Yes___ | No___ |

ATTACHMENT B

| | | | |
|--|-----|-----|----|
| b.) Identify other revenue sources (describe below) | N/A | Yes | No |
| c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant. N/A | Yes | No | |
| | | | |
| <p>Other requirements not mentioned above: Grant funds are required to be repaid where construction of residential units used as the basis for calculating the grant amount has not received a building permit within 5 years of the date of the Infill Infrastructure Grant Program award date and the State has not granted an additional 5 year extension.</p> | | | |

Department Head Signature

Date: 4/10/08

